Reg. No. M. 1175.

# The Mysore Gazette

(PUBLISHED BY AUTHORITY)

(SUPPLEMENTAL)

BANGALORE, THURSDAY, SEPTEMBER 7, 1950.

## PART IV

### Section—1-B.

### ACTS OF PARLIAMENT AND ORDINANCES OF THE PRESIDENT WHICH APPLY TO MYSORE.

### NOTIFICATION.

No. L.D. 1817—Legis. 2-50-38, Bangalore, dated 6th September 1950.

Ordered that the accompanying Supply and Prices of Goods Ordinance, 1950 (XXVI of 1950), published in the *Gazette of India*, Part II, Section 1, dated the 2nd September 1950, be republished in the *Mysore Gazette*, for general information.

By Order of His Highness the Maharaja,

B. S. PUTTASWAMY,
*Legal Remembrancer and*
*Secretary to Government,*
*Law Department.*

AN

### ORDINANCE

*to provide, in pursuance of a resolution under article 249 of the Constitution, for the control of prices of certain goods, and the supply and distribution thereof.*

WHEREAS Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance :—

1. *Short title, extent and commencement.*—(1) This Ordinance may be called the Supply and Prices of Goods Ordinance, 1950.

(2) It extends to the whole of India except the State of Jammu and Kashmir.

(3) It shall come into force at once.

2. *Definitions.*—(1) In this Ordinance, unless the context otherwise requires,—

(*a*) "dealer" means a person carrying on the business of selling any goods, whether wholesale or retail ;

(*b*) "goods" means goods to which this Ordinance applies ;

(*c*) "notified order" means an order notified in the Official Gazette ;

(*d*) "offer for sale" includes an intimation by a person of the price proposed by him for a sale of any goods made by the publication of a price list, by exposing his goods for sale in association with a mark indicating price, by the furnishing of a quotation or otherwise howsoever ;

(*e*) "prescribed" means prescribed by rules made under this Ordinance ;

(*f*) "producer" includes a manufacturer.

(2) A person shall be deemed to be in possession of goods—

(i) when they are held on behalf of that person by another person ;

(ii) notwithstanding that they are mortgaged to another person.

3. *Goods to which this Ordinance applies.*—Subject to the provisions contained in section 10, this Ordinance applies to the goods specified in the Schedule and to such other goods as the Central Government may, by notified order, specify in this behalf.

4. *Fixing of maximum prices and maximum quantities which may be held or sold.*—(1) The Central Government may, by notified order, fix in respect of any goods—

(*a*) the maximum price or rate which may be charged by a dealer or producer ;

(*b*) the maximum quantity which may at any one time be possessed by a dealer or producer ;

(*c*) the maximum quantity which may in one transaction be sold to any person.

(2) Any such order may—

(*a*) fix maximum prices or rates and maximum quantities for the same description of goods differently in different localities or for different classes of dealers or producers ;

(*b*) instead of specifying the maximum price or rate to be charged, direct that that price or rate shall be computed in such manner and by reference to such matters as may be provided by the order.

5. *Restrictions on possession and sale by dealers and producers where maximum is fixed under section 4.*—(1) No dealer or producer shall—

(*a*) sell or agree to sell or offer for sale to any person any goods for a price or at a rate exceeding the maximum fixed by notification under clause (*a*) of sub-section (1) of section 4 ;

(*b*) have in his possession at any one time a quantity of any goods exceeding the maximum fixed under clause (*b*) of sub-section (1) of section 4, unless he has reported the fact of such possession to the Central

Government or to the officer appointed in that behalf as required by section 7, or

(*c*) sell or agree to sell or offer for sale to any person in any one transaction a quantity of any goods exceeding the maximum fixed by notification under clause (*c*) of sub-section (1) of section 4.

(2) Where any goods are sold, agreed to be sold, or offered for sale in contravention of sub-section (1) by a dealer or producer through any person employed by him or acting on his behalf, such person and also, unless he proves that he exercised due diligence to prevent such contravention, the dealer or producer, as the case may be, shall be liable to the punishment provided by sub-section (1) of section 14.

(3) Where a dealer or producer disposes of any goods by having them sold by auction on his behalf, the auctioneer, as well as the dealer or producer, shall be liable to the punishment under sub-section (1) of section 14, if in any such sale there is a contravention of clause (*c*) of sub-section (1).

6. *General limitation of quantity which may be possessed at any one time.*—(1) No person shall have in his possession at any one time a greater quantity of any goods to which this section applies than the quantity necessary for the reasonable needs of himself and his family for the prescribed period, unless he has reported the fact of such possession to the Central Government or to the officer appointed in that behalf as required by section 7 :

Provided that nothing contained in this sub-section shall apply—

(*a*) to a dealer in respect of any goods sold or purchased by him in the course of his business, or

(*b*) to a producer in respect of any goods produced by him.

(2) For the purposes of this section, the Central Government may prescribe the circumstances and matters which shall be taken into account in determining the reasonable needs of any person, and may prescribe different periods for different areas or for different classes of goods.

(3) This section shall apply only to such goods as the Central Government may, by notified order, specify in this behalf.

7. *Duty to declare possession of excess stocks.*—Any person having in his possession a quantity of any goods, exceeding that permitted by or under this Ordinance shall forthwith report the fact to the Central Government or to any officer appointed by it in this behalf and shall take such action as to the storage, distribution or disposal of the excess quantity as may be prescribed or as the Central Government or such officer may direct.

8. *Holding of stocks.*—(1) If any dealer has in his possession in the course of his business a stock of any goods and the said dealer or any person employed by him to sell goods in the course of his business, when asked by any other person (hereafter in this section referred to as "the buyer") to sell goods of that description or whether he or his employer has such goods for sale—

(*i*) refuses to sell the goods, or denies that he or his employer has the goods, or by words or conduct intentionally causes the buyer to believe that he or his employer has not got the goods or will not or cannot sell them ; or

(*ii*) offers to sell the goods subject to a condition requiring the buying of any other goods or subject to any other condition except the condition that the buyer shall pay the price forthwith or take delivery within a reasonable time,

the dealer carrying on the business shall be guilty of an offence under this Ordinance.

(2) It shall be a defence for a person charged with any such offence to prove that the sale of the goods or the sale thereof without the fulfilment of the condition proposed by him, would, having regard to the quantity of goods which he or that person was requested to sell or any other consideration—

(*a*) be contrary to the normal practice of his business; or

(*b*) involve a breach of some obligation lawfully binding on him; or

(*c*) interfere with arrangements made by him for an orderly disposal of his stock among his regular customers.

9. *Cash memorandum to be given of certain sales.*—(1) Every dealer or producer, when selling goods for cash shall, if the amount of the purchase is rupees ten or more, in all cases, and if the amount of the purchase is less than rupees ten, when so required by the purchaser, give to the purchaser a cash memorandum containing particulars of the transaction.

(2) The Central Government may prescribe the particulars to be contained in any such cash memorandum.

(3) The Central Government may, by notified order, exempt specified areas, classes of dealers or producers, or goods or classes of goods from the operation of this section.

10. *Marking of prices and exhibiting price lists and stocks.*—(1) The Central Government may direct dealers or producers in general, or any dealer or producer or class of dealers or producers in particular, to mark goods exposed or intended for sale with the sale prices or to exhibit at some easily accessible place on the premises price lists of goods held for sale and also to similarly exhibit on the first day of every month, or at such other intervals as may be prescribed, a statement of the total quantities of any such goods held in stock and may further give directions as to the manner in which any such direction as aforesaid is to be carried out.

(2) No dealer shall destroy or efface, or alter or cause to be destroyed, effaced or altered, any label or mark affixed—

(*a*) to any goods in pursuance of a direction under sub-section (1), or

(*b*) to any goods and indicating the price marked by a producer.

(3) Notwithstanding anything contained in section 3, the Central Government may, by notified order, declare that the provisions of this section shall also apply to any goods other than those to which this Ordinance applies within the meaning of that section.

11. *Obligation to state prices separately in composite offer.*—Where a dealer or producer makes an offer to enter into a transaction for a consideration to be given as a whole in respect of both of a sale of any goods and of some other matter, the dealer or producer making the offer shall state in writing the price which he assigns to the goods, if he is required so to do by any person to whom the offer is made, and the offer shall be deemed for the purposes of this Ordinance to be an offer to sell the goods at the price so stated.

12. *Prohibition of closure of shops.*—No dealer in any goods shall keep his shop closed with the intention of avoiding the regular sale of such goods and thereby obtaining a higher price for the goods at a later date.

13. *Power to regulate production and distribution of goods.*—The Central Government may by order in writing,—

(*a*) prohibit the disposal of any goods except in such circumstances and under such conditions as may be specified in the order;

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(*b*) direct the sale of the whole or a specified part of the stock of any goods at such prices and to such persons or class of persons or in such circumstances as may be specified in the order;

(*c*) regulate by licences, permits or otherwise the production, supply, storage, transport, distribution, use or consumption of any goods.

14. *Penalties.*—(1) Any person who contravenes any of the provisions of this Ordinance or of any orders or rules made thereunder shall, if no other punishment is specified therefor in this Ordinance, be punishable with imprisonment for a term which may extend to three years, or with fine, or with both :

Provided that where the person is guilty of an offence under section 8, the court shall sentence him to imprisonment for a term which may extend to three years and may in addition impose a sentence of fine.

(2) Any person who fails to comply with any directions made under authority conferred by this Ordinance shall be punishable with imprisonment for a term which may extend to one year, or with fine, or with both ;

(3) A Court convicting any person of an offence punishable under this Ordinance may order that the goods in respect of which the offence has been committed or a specified part thereof shall be forfeited to the Government.

15. *Offences by Corporation.*—(1) Where any person contravening any of the provisions of this Ordinance or of any order or direction made thereunder is a company or other body corporate, every person, who, during the relevant period, was in charge of, and was responsible to the company or other body corporate during that period for the conduct of the business of, the establishment in or in relation to which the contravention has taken place, as well as the company or other body corporate, shall be deemed to be guilty of such contravention and shall be liable to be proceeded against and punished accordingly :

Provided that nothing contained in this sub-section shall render any person so in charge or responsible liable to any punishment provided in this Ordinance, if he proves that the contravention took place without his knowledge or that he exercised all due diligence to prevent such contravention.

(2) Notwithstanding anything contained in sub-section (1), where any offence under this Ordinance or any order or direction made thereunder has been committed by a company or other body corporate and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of any director, manager, secretary or other officer of the company or other body corporate, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and shall be punished accordingly.

16. *Powers of search and seizure.*—(1) For the purpose of enforcing the provisions of this Ordinance, the Central Government may, by general or special order, authorise any officer not below the rank of an Inspector of Police—

(*a*) to enter and search any premises, vehicles, vessels or aircraft occupied for the purpose of the business in any goods or where any such goods may be found ;

(*b*) to seize any goods in respect of which he has reason to believe that an offence under this Ordinance has been committed and thereafter to take all such measures as may be necessary for securing the production of such goods in court.

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(2) If any person obstructs an officer in the exercise of the powers conferred upon him by this section he shall be punishable with imprisonment which may extend to six months, or with fine, or with both.

17. *Procedure.*—No offence punishable under this Ordinance shall be enquired into by any person below the rank of an Inspector of Police, and no prosecution for any such offence shall be instituted except with the previous sanction of the Central Government, or of an officer not below the rank of a District Magistrate empowered by the Central Government to grant such sanction.

18. *Summary Trials.*—(1) Notwithstanding anything contained in section 260 of the Code of Criminal Procedure, 1898 (V of 1898), a Magistrate empowered to act under that section may try any offence punishable under this Ordinance in a summary way under the provisions of Chapter XXII of the said Code, and shall so try any such offence unless he is of opinion that in the event of the offence being proved a sentence which he is empowered under that Chapter to impose would be insufficient.

(2) Notwithstanding anything contained in section 362 of the said Code, a Presidency Magistrate trying an offence punishable under this Ordinance shall not record the evidence or frame a charge unless he is of opinion that in the event of the offence being proved a sentence against which, in accordance with the provisions of sections 404 and 411 of the said Code no appeal lies, would be insufficient :

Provided that, where at any subsequent stage of a trial commenced in accordance with this sub-section, it appears to the Presidency Magistrate that in the event of the offence being proved such sentence as aforesaid would be insufficient, he shall recall any witnesses who may have been examined and proceed to rehear the case in the manner provided in the said section 362 for a case in which an appeal lies.

(3) Notwithstanding anything contained in section 526 of the said Code, no decision of a Court to try any offence punishable under this Ordinance otherwise than in the summary manner provided by this section shall be a valid ground on which to make an application under that section.

19. *Accounts and information.*—(1) The Central Government may direct any dealer or producer to keep such books, accounts, and other records in relation to all sale and purchase transactions entered into by him, as it thinks fit.

(2) The Central Government may direct a dealer or producer—

(*a*) to produce to, and allow to be examined by, a person specified in this behalf such books, accounts or other documents in the custody or under the control of the person so required as may be specified or described in the direction being documents relating to the transactions or business the examination of which may be required for the purpose of this Ordinance; and

(*b*) to furnish to a person so specified such information as respects the transaction or business as may be required for the purposes of this Ordinance or such other information as may be in his possession in relation to the business carried on by another person.

(3) The Central Government may, be notified order, issue to all dealers and producers of a specified class a direction such as is referred to in sub-section (1) or in clause (*a*) of sub-section (2).

20. *Restriction on disclosure of information.*—(1) No information with respect to any particular business which has been obtained under this Ordinance

shall, without the consent of the person carrying on that business, be disclosed otherwise than in connection with the execution of this Ordinance:

Provided that nothing in this section shall apply to a disclosure of information made for the purpose of any criminal proceedings which may be taken whether by virtue of this Ordinance or otherwise, or for the purposes of any other law for the time being in force.

(2) If any person discloses any information in contravention of the provisions of this section, he shall be punishable with imprisonment for a term which may extend to three months, or with fine, or with both.

21. *Power to exempt.*—The Central Government may, by notified order, exempt any person or any goods or class of goods from all or any of the provisions of this Ordinance or of any order made thereunder.

22. *Delegation of powers.*—The Central Government may, by notified order, direct that any power exercisable by it under this Ordinance (except the power given to it under section 5) shall, in relation to such matters and subject to such conditions, if any, as may be specified in the direction, be exercisable also by such officer or authority subordinate to the Central Government, or by such State Government, or such officer or authority subordinate to a State Government, as may be specified in the directions.

23. *Power to issue directions to State Governments.*—The Central Government may give directions to any State Government as to the carrying into execution in the State of any of the provisions of this Ordinance or of any order or direction made thereunder.

24. *Bar of legal proceedings.*—No suit, prosecution or other legal proceedings shall lie against any person for anything which is in good faith done or intended to be done under this Ordinance.

25. *Saving of other laws.*—The provisions of this Ordinance shall be in addition to, and not in derogation of, any other law for the time being in force regulating the keeping, searching, distribution, disposal or price of goods.

26. *Power to make rules.*—(1) The Central Government may, by notification in the Official Gazette, make rules for the purpose of carrying out the objects of this Ordinance.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(*a*) the matters referred to in sub-section (2) of section 6;

(*b*) the particulars to be contained in any cash memorandum under section 9;

(*c*) the manner in which prices may be marked on goods and price lists exhibited;

(*d*) the issue of licences under section 13, and the attachment of any conditions thereto and the levying of a fee therefor.

## THE SCHEDULE

(*See* SECTION 3)

Goods to which this Ordinance applies.

### SCHEDULE

1. Non-ferrous metals, including brass (unwrought and semi-manufactured).
2. Bicycles.
3. Cycle tyres and tubes.
4. Electric bulbs.
5. Razor blades.
6. Caustic soda.
7. Soda ash.
8. Tanning materials (wattle bark, wattle extract, quebracho).
9. Raw rubber.
10. Casein.
11. Infants' foods (Glaxo, Horlicks, and Cow and Gate Milk).

RAJENDRA PRASAD,
*President.*

K. V. K. SUNDARAM,
*Secretary to Government of India.*

Printed by the Director of Printing, Stationery and Publications
at the Government Press, Bangalore.